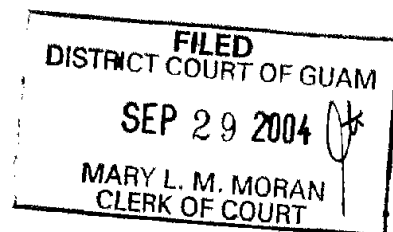


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Attorneys for Defendant Hongkong and Shanghai Banking Corporation, Ltd.

DISTRICT COURT OF GUAM

ALAN SADHWANI, LAJU
SADHWANI, and K. SADHWANI'S
INC., a Guam corporation,

Plaintiffs,

v.

HONGKONG AND SHANGHAI
BANKING CORPORATION, LTD.,
et al.,

Defendants.

CIVIL CASE NO. 03-00036

**SECOND SUPPLEMENTAL
DECLARATION OF JACQUES G.
BRONZE IN SUPPORT OF HSBC's
OBJECTIONS TO THE MAGISTRATE
JUDGE'S ORDER DATED
JUNE 9, 2004**

I, **JACQUES G. BRONZE**, hereby declare and state as follows:

1. All matters herein are based on my own personal knowledge.
2. I am over 18 years of age, and legally competent to testify to the facts below and I do so based upon my own personal knowledge.

ORIGINAL

3. I am the counsel of record for Hongkong and Shanghai Banking Corporation, Ltd., ("HSBC"), in the above-entitled matter.

4. On September 13, 2004, Plaintiffs served HSBC its Third Amended and Supplemental Initial Disclosures identifying a witness by the name of Manu Nanwani residing in Indonesia. The witness was identified as having "information regarding Plaintiffs efforts to obtain alternative financing." A true and correct copy of Plaintiff's Third Amended and Supplemental Initial Disclosures is attached to this Second Supplemental Declaration as Exhibit "1".

5. Based on the undersigned preliminary research, Indonesia is not a member of the Hague Convention on Obtaining Evidence Abroad, thus compulsion of evidence can only be obtained pursuant to a Letters of Request which means a significant period of time is needed to process such letters. HSBC is in the process of getting a legal opinion regarding this issue from a law firm in Indonesia.

6. To date, HSBC has still not heard from the United States State Department regarding its Letters of Request submitted on July 2, 2004, for the Philippine witness.

7. In addition, HSBC has still not heard from the United States State Department relating to the Letters of Request relating to the Dubai witness.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

EXECUTED this 29th day of September 2004.



JACQUES G. BRONZE

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Counsel for Plaintiffs Alan Sadhwani, et al.

IN THE UNITED STATES
DISTRICT COURT OF GUAM

ALAN SADHWANI, LAJU SADHWANI,
and K. SADHWANI'S INC., a Guam
corporation,

Plaintiffs,

vs.

HONGKONG AND SHANGHAI
BANKING CORPORATION, LTD., a
Foreign corporation,
JOHN DOE I through JOHN DOE X,

Defendants.

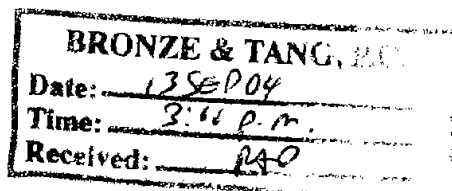
CIVIL CASE NO. 03-00036

PLAINTIFFS' THIRD
AMENDED AND
SUPPLEMENTAL INITIAL
DISCLOSURES (F.R.C.P. 26;
L.R. 16.2 (2))

PLAINTIFFS' INITIAL DISCLOSURES (F.R.C.P. 26 & LOCAL RULE 16.2(2))

Plaintiffs Alan Sadhwani, Laju Sadhwani and K. Sadhwani's Inc. (collectively "Plaintiffs"), by and through their attorneys ARRIOLA, COWAN & ARRIOLA, hereby submit this Third Amended and Supplemental Initial Disclosures pursuant to Federal Rules of Civil Procedure Rule 26 and Local Rule 16.2(2).

A. NAMES OF PERSONS WITH DISCOVERABLE INFORMATION. The following are persons who will likely have discoverable information relevant to disputed facts:



EXHIBIT

1

<u>NAME</u>	<u>SUBJECTS OF INFORMATION</u>
1. Custodian of Records, HongKong and Shanghai Banking Corporation Ltd. P.O. Box 27-C, Hagåtña, Guam 96932	Authentication of records and other documents.
2. Lawrence M. Zhang HongKong and Shanghai Banking Corporation Ltd. P.O. Box 27-C, Hagåtña, Guam 96932	Information regarding his position, duties and responsibilities at HSBC, including as they relate to plaintiffs' accounts, loans and banking relationship with HSBC, and his role in the sale of plaintiffs' loan to Paradise Marine Corporation ("PMC"); and banking policies and procedures at HSBC.
3. Frederick Granillo HongKong and Shanghai Banking Corporation Ltd. P.O. Box 27-C, Hagåtña, Guam 96932	Information regarding his position, duties and responsibilities at HSBC, including as they relate to plaintiffs' accounts, loans and banking relationship with HSBC, and his role in the sale of plaintiffs' loan to PMC; and banking policies and procedures at HSBC.
4. Guy Priestley HongKong and Shanghai Banking Corporation Ltd. P.O. Box 27-C, Hagåtña, Guam 96932	Information regarding his position, duties and responsibilities at HSBC, including as they relate to plaintiffs' accounts, loans and banking relationship with HSBC, and his role in the sale of plaintiffs' loan to PMC; and banking policies and procedures at HSBC.
5. Magnus Montan HongKong and Shanghai Banking Corporation Ltd. P.O. Box 27-C, Hagåtña, Guam 96932	Information regarding his position, duties and responsibilities at HSBC, including as they relate to plaintiffs' accounts, loans and banking relationship with HSBC, and his role in the sale of plaintiffs' loan to PMC.; and banking policies and procedures at HSBC.

<u>NAME</u>	<u>SUBJECTS OF INFORMATION</u>
6. I.C. Underwood HongKong and Shanghai Banking Corporation Ltd. P.O. Box 27-C, Hagåtña, Guam 96932	Information regarding his position, duties and responsibilities at HSBC, including as they relate to plaintiffs' accounts, loans and banking relationship with HSBC, his role in the sale of plaintiffs' loan to PMC; and banking policies and procedures at HSBC.
7. Patrick B. Oliva First Hawaiian Bank 400 Route 8, Mongmong, Guam 96910-2010	Information regarding plaintiffs' application to obtain alternate financing from First Hawaiian Bank, his previous employment at HSBC, including his position, duties and responsibilities.
8. Christopher Felix Century 21 Realty Management Co. P.O. Box 7988, Tamuning, Guam 96931; 647-5003	Information regarding Century 21's attempts to sell plaintiffs' properties, the history of his and Century 21's relationship with plaintiffs, and the previous sales of plaintiffs' properties.
9. Custodian of Records Paradise Marine Corporation Address Unknown	Authentication of records and other documents.
10. Officers and Directors of Paradise Marine Corporation Address Unknown	Information regarding PMC's business and the sale of plaintiffs' loan to PMC.
11. Joseph Fang Paradise Marine Corporation 240 Father San Vitores Road Tamuning, Guam 96913	Information regarding the sale of plaintiffs' loan to PMC and his relationship with HSBC.
12. Alan Sadhwani 371 South Marine Drive Tamuning, Guam 96913 649-5948	Information regarding the facts and circumstances underlying plaintiffs' causes of action alleged in their complaint, and damages.

<u>NAME</u>	<u>SUBJECTS OF INFORMATION</u>
13. Laju Sadhwani 371 South Marine Drive Tamuning, Guam 96913 649-5948	Information regarding the facts and circumstances underlying plaintiffs' causes of action alleged in their complaint, and damages.
14. Stephen J. Grantham Triple J Motors 157 South Marine Drive Tamuning, Guam 96913 Telephone No. (671) 649-6555 ext. 239	Information regarding his position, duties and responsibilities at HSBC, including as they relate to plaintiffs' accounts, loans and banking relationship with HSBC; and banking policies and procedures at HSBC.
15. Christopher Page c/o HSBC 1 Queens Road Central Hong Kong SAR Telephone No. (852) 8222-1232	Information regarding his position, duties and responsibilities at HSBC, including as they relate to plaintiffs' accounts, loans and banking relationship with HSBC, his role in the sale of plaintiffs' loan to PMC; and banking policies and procedures at HSBC..
16. Carol Gogue First Hawaiian Bank, Maite Branch 400 Route 8 Mongmong, Guam 96910 Telephone No. (671) 475-7900	Information regarding her position, duties and responsibilities at HSBC, including as they relate to plaintiffs' accounts, loans and banking relationship with HSBC, her role in the sale of plaintiffs' loan to PMC; and banking policies and procedures at HSBC.
17. Mr. Haresh Mukhi Mayura Khamas Stores L.L.C. Murshid Bazar Beira, Dubai U.A.E.	Information regarding plaintiffs' efforts to obtain alternate financing.
18. Vashi Jadwani Jadwani International Inc. #4 Ind'l Avenue Severina Ind'l Estate KM.16 South Super Highway 1700 Paranaque, Metro Manila Philippines	Information regarding plaintiffs' efforts to obtain alternate financing.

<u>NAME</u>	<u>SUBJECTS OF INFORMATION</u>
19. Don Hemlani P.O. Box 2397 Hagatna, Guam 96932 Telephone No. (671) 646-9866	Information regarding plaintiffs' efforts to obtain alternate financing.
20. Cathy Champaco c/o Citibank Hagatna, Guam	Information regarding her position, duties and responsibilities at HSBC, including as they relate to plaintiffs' accounts, loans and banking relationship with HSBC, her role in the sale of plaintiffs' loan to PMC; and banking policies and procedures at HSBC.
21. Michael Berman, Esq. Berman, O'Connor, Mann & Shklov Suite 503 Bank of Guam Building 111 Chalan Santo Papa Hagatna, Guam 96910	Information concerning the sale of plaintiffs' loan.
22. Manu Melwani Security Title, Inc. 865 South Marine Drive Suite 202 B Orlean Pacific Plaza Tamuning, Guam	Information concerning the sale of plaintiffs' loan.
23. Thomas C. Moody, III Klemm, Blair, Sterling & Johnson Suite 1008, Pacific News Building 238 Archbishop Flores Street Hagatna, Guam 96910	Information regarding the facts and circumstances underlying plaintiffs' causes of action alleged in their complaint, including but not limited to, drafting of the March 2003 workout agreement and advice and information regarding plaintiffs' loans with HSBC.
24. Donald V. Calvo, Esq. Carlsmith Ball Suite 401, Bank of Hawaii Bldg. 134 West Soledad Avenue Hagatna, Guam 96910	Information regarding the facts and circumstances underlying plaintiffs' causes of action alleged in their complaint, including but not limited to, rendering advice to HSBC about not disclosing the sale of plaintiffs' loan.

<u>NAME</u>	<u>SUBJECTS OF INFORMATION</u>
25. Cecil Galman Citibank, N.A - Guam Branch 402 East Marine Drive Tamuning, Guam 96913	Information regarding the facts and circumstances underlying plaintiffs' causes of action alleged in their complaint, including but not limited to, plaintiffs' attempts to obtain alternate financing with Citibank.
26. Manu Nanwani PT Indomanu Mandiri Jl. Agung Timur XII Blok N2/12 Sunter Jaya Jakarta 14350 Indonesia	Information regarding plaintiffs' efforts to obtain alternate financing.
27. Individuals identified in defendant's initial disclosures and any supplements or amendments thereto.	As identified in defendant's initial disclosures and any supplements or amendments thereto.

B. **DOCUMENTS.** Plaintiffs have previously produced documents discoverable pursuant to F.R.C.P. Rule 26 in Plaintiffs' possession, Bates-stamped numbers P000001 - P000352 and has produced other documents in response to defendant's document requests. Additional documents are those produced by Paradise Marine Corporation and HSBC in this litigation; documents attached as exhibits to the Plaintiffs' Complaint and previously served on Defendant; and documents in the possession or custody of defendant or other witnesses that are reasonably likely to bear on the claims or defenses in this action.

C. **COMPUTATION OF DAMAGES.** (1) Compensatory damages for loss of real properties, buildings and improvements, and loss of inventory amounting to \$15,950,000.00; consequential damages for being unable to repair and maintain buildings because Plaintiffs were unable to provide funds therefor; consequential damages based on HSBC's cancellation of letters

of credit which resulted in losses to Plaintiffs' businesses; consequential damages for loss of rents;
(2) Punitive damages in the amount of \$10,000,000.00; and (3) Attorneys fees and costs.

D. **INSURANCE**. Plaintiffs are unaware of any insurance agreements which may satisfy part or all of a judgment which may be entered in the action or to indemnify or reimburse for payments made to satisfy any judgment.

E. **EXPERT REPORT**. Plaintiffs do not presently have any report prepared by an expert and do not presently have an expert witness. In the event an expert witness is retained, Plaintiffs will disclose the identity of the expert and any written report prepared by the expert.

F. Plaintiffs reserve the right to amend or supplement these Initial Disclosures.

DATED: September 13, 2004.

ARRIOLA, COWAN & ARRIOLA
Counsel for Plaintiffs Alan Sadhwani, et al.

By: 
ANITA P. ARRIOLA

ARRIOLA, COWAN & ARRIOLA, HAGATNA, GUAM 96910

CERTIFICATE OF SERVICE

I, Anita P. Arriola, hereby certify that on September 13, 2004, I caused to be served via hand delivery, **PLAINTIFFS' THIRD AMENDED AND SUPPLEMENTAL INITIAL DISCLOSURES (F.R.C.P. 26; L.R. 16.2 (2))** to:

**Jacques G. Bronze
Bronze & Tang, P.C.
2nd Floor, BankPacific Building
825 S. Marine Drive
Tamuning, Guam 96913**

Dated this 13th day of September, 2004.


ANITA P. ARRIOLA

ARRIOLA, COWAN & ARRIOLA, HAGATNA, GUAM 96910